



Ah February, the month best known for Superbowl, groundhogs, Mardi Gras, and adding an extra day to our calendars every fourth year. But did you know there was once (and only once in the past 2000+ years) a February 30th?

From 1582-1752, most of the world was migrating from the Julian calendar to the Gregorian calendar. The longer a country waited to change over, the more time you needed to add or subtract from your calendar. In 1712, Sweden was making their move – and implemented a one-time-only February 30th to make the transition. Imagine being born on a day that never happened again for the rest of your life?!

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Reverse Mortgages: A Modern Tool for Retirement Planning



Visualize this: It's 1986. You're an accountant in Vancouver. You're seeing seniors living longer, healthier and more self-sufficient lives than ever. But they don't have enough cash to pay their day-to-day expenses.

You want to help them. So, you create a financial product that lets them access home equity without giving up ownership. You call it... the Canadian Home Income Plan, and lovingly refer to it as a CHIP. Your product – a reverse mortgage – gives seniors a way to stay in their homes, access the equity without selling, and have complete flexibility and control over the funds. It has a slow start, but over the next decade it catches on across Canada.

Fast forward to 2026 and the reverse mortgage has evolved into a useful tool for so many Canadians. We've seen a 40% increase in usage of reverse mortgages in the past 3 years alone! There are several reasons for this, including skyrocketing property values, inflation driving up the cost of living, people living longer and healthier after retirement, and a whopping 71% of those over 75 still owning homes. So, older Canadians are opting to supplement their income with home equity to maintain or improve their standard of living in retirement.

What are the Basics of a Reverse Mortgage?

A reverse mortgage is available exclusively to homeowners aged 55 and older; all applicants must meet that minimum age. You can access anywhere between 15-55% of the value of your home, with your age and the location playing the biggest roles in the amount.

With a reverse mortgage, you can take out money in four different ways:

1. Use it like a line of credit
2. Take out a lump sum of cash at any time
3. Arrange regular ongoing monthly payments

4. Use a combination of options 2 and 3 above

Also of note is that you must live in the home, maintain the property, and ensure property taxes and insurance are both paid and current. You can get up to 3 reverse mortgages and even qualify for one on multi-unit properties (up to 6 units).

What are the Benefits?

A reverse mortgage doesn't depend on your credit score or your income for qualification. In fact, you don't need to have any income at all! You also maintain complete ownership of your home and continue to live in it and build equity.

Another set of benefits are that the funds aren't considered income, so they're not taxed and don't impact any pension or benefits you qualify for. You can even use this as part of your tax strategy (do consult a financial planner about this though).

What Can I Use a Reverse Mortgage for?

These funds are extremely flexible, so you can use them for nearly anything. A few common ways Canadians use them are:

- Home renovations or upgrades
- Helping family (like a gifted down payment, a living inheritance, or a paying for a wedding)
- Buying another property
- Paying off higher interest debts
- Funding your lifestyle, a vacation, or other expenses

What Will a Reverse Mortgage Cost?

There are two types of costs you'll encounter with a reverse mortgage.

First, like any mortgage, you'll be charged interest. The rates are typically 1-2% higher than a regular mortgage, but you have the same flexibility with fixed or variable rates in various terms.

Second, you'll have upfront costs to fund the reverse mortgage. You'll need to get independent legal advice, an appraisal on your home, and you'll most likely pay a lender or setup fee. Those three items will typically cost \$1500 - \$3000. You might be able to negotiate the rate or even find a promotion that waives the setup fee, so using a mortgage professional to shop around could save you money.

How do I Get Out of a Reverse Mortgage?

Much like a regular mortgage, you can pay off the amount owing in full at the end of the term without penalty. You can also make regular payments to bring down the balance. Lenders may also impose early repayment fees depending on the terms and conditions.

Alternatively, if you sell the property, you repay the amount in full at the time of sale. In the case of death, your reverse mortgage must also be repaid in full, before your estate is disbursed.

Are Reverse Mortgages Regulated?

Yes. The industry is regulated by the Office of the Superintendent of Financial Institutions (OSFI). They're considered a non-recourse loan, meaning you'll never have to repay more than the property is worth or sold for. You often see this feature advertised by lenders as a 'no negative equity guarantee', but know that's a legal requirement here in Canada.

Are Reverse Mortgages a Scam?

No. They're a legitimate and useful way for people to access home equity without selling their home. They've been approved and endorsed by the Canadian Association of Retired Persons (CARP), and members can even qualify for a \$250 fee rebate upon funding. Plus, the Ontario Teachers Pension Plan invests in one of the main reverse mortgage companies.

However, like any financial product, the reverse mortgage market sees its share of scams. Be sure to use a licensed and experienced mortgage professional to avoid them. Look out for anyone one asking you to sign over the title to your home (never do this), or contractors offering to do the paperwork and get funding for you to fund upgrades or renovations. Those are big red flags!

Are there Alternatives to a Reverse Mortgage?

You always have options! A Home Equity Line of Credit (or HELOC) lets you take out equity and offers up to 80% of the value of your home (although you need income to qualify). You could also sell your home and downsize, rent, or move into another type of residence. No matter what route you go, you'll want to look at the total cost of each option to help you make the best decision.

What Are the Next Steps to Getting a Reverse Mortgage?

I'd love to help you explore your options. There are several Canadian financial companies that offer reverse mortgages in 2026, each with different fees, requirements and features. I would be happy to compare them and help you pick the best choice for your unique situation. Let's set up a call to discuss.



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Download my app for free today!   

The advertisement features a dark blue background with a photograph of hands holding a smartphone displaying the app interface. The text is in white and light blue, with the app name in large, bold letters. The tagline is in a smaller, italicized font. At the bottom, there is a call to action with icons for the Google Play Store and the App Store, followed by the Mortgage Architects logo.

Valentine's Day Your Way



Roses, chocolates and cards not doing it for you in 2026? You're not alone! But even if you are, you're still welcome!

Here are my best suggestions to enjoy Valentine's Day without the pressure of a fancy dinner out or even another human to share it with.

For the foodies: Bake a batch of sugar cookies and decorate them – either with cute red and pink hearts, or black bows and arrows. There are no rules here! Or, try out a mixology or cooking class online and learn how to make something new and delicious.

For the active folk: Draft a checklist of festive or un-festive items (like someone in a red coat, a squirrel, a restaurant with a line, a house with Valentine's décor, a hockey jersey, an amazon truck, etc.) and go for a walk outside until you find everything on your list. Or, lace up your skates and stuff your pockets with candy or hot chocolate to fuel an outdoor skating session.

For a group: Invite your galentines or parentines over for a game of Catan, Blokus, Wizard or Hues and Cues. Or, make a reservation for your group at a board game café and play as many as you can.

For the anti-consumerists: Write some poetry ([here's how if you're a newbie](#)), then do a light hearted reading of your work (people, pets, or your camera are all great audiences). Or, do some volunteering at an animal shelter, food bank, or wherever else speaks to you; give back instead of giving gifts!

For the gardener: Make wildflower seed bombs. Combine equal parts wet clay (or half the amount if you have dry clay) and soil (or a compost mix). Gradually add water until you get a dough-like consistency. Then, add in your seeds (about a teaspoon per handful of concoction) and form them into balls or pucks. Let everything dry until early spring and then toss the seed bombs wherever you want those flowers to grow (no need to plant/bury!).

If you want to make it more Valentine's Day themed, add some pink or red food colouring to the dough and shape your bombs into hearts. Lovely.

That's it for February!

A reminder that Wednesday February 25 is pink shirt day, which aims to raise awareness of bullying in schools, workplaces, homes, and online. Learn more about the cause [on their website](#).

From the bottom of my heart, wishing you a great month ahead and hope to see you back here in March.

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